

ORIGINAL

OPEN MEETING



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MEMORANDUM  
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Arizona Corporation Commission

DOCKETED

TO: THE COMMISSION

2009 MAR 12 P 2:07

FROM: Utilities Division

AZ CORP COMMISSION  
DOCKET CONTROL

MAR 12 2009

DATE: March 12, 2009

DOCKETED BY:	
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RE: IN THE MATTER OF THE APPLICATION OF NYNEX LONG DISTANCE COMPANY DBA VERIZON ENTERPRISE SOLUTIONS FOR APPROVAL TO DISCONTINUE CERTAIN COMPETITIVE RESOLD TELECOMMUNICATIONS SERVICES (DOCKET NO. T-03198A-08-0594)

**A. Introduction**

On December 10, 2008, NYNEX Long Distance Company d/b/a Verizon Enterprise Solutions ("VES") filed an application to discontinue offering presubscribed long distance telecommunications service throughout Arizona effective as of April 1, 2009 and, pursuant to Arizona Administrative Code ("A.A.C.") R14-2-1107, to cancel that portion of its Certificate of Convenience and Necessity ("CC&N") authorizing it to provide presubscribed long distance telecommunications services.

A Certificate of Convenience and Necessity ("CC&N") to provide competitive interLATA/intraLATA resold telecommunications services except local exchange services was granted in Decision No. 61603 on April 1, 1999 by the Arizona Corporation Commission ("Commission").

**B. The Transaction**

Pursuant to A.A.C. R14-2-1107, VES proposes to cancel the portion of its CC&N authorizing the provision of presubscribed long distance telecommunications services. However, VES proposes to continue offering originating calling card services with operator assistance to serve customers from other states that travel to Arizona and use their calling card to originate intrastate calls and does not seek cancellation of its CC&N as VES proposes to continue offering National Frame Relay Service and National Private Line Service to business customers in Arizona.

VES requests that the Commission issue an order that:

1. Approves this Application pursuant to ACC R-14-2-1107 authorizing VES to withdraw all basic and optional calling plans effective as of April 1, 2009; and
2. Requires VES to modify its tariffs on file with the Commission to remove basic and optional calling plans.

In its application, VES states that it has approximately 17 presubscribed business voice

customers for whom it will cease providing service and 1 business data customer for whom it will continue providing service. VES does not provide service to any residential customers.

VES certifies that it holds no customer deposits and does not market its long distance services in Arizona.

**C. Staff's Analysis**

In its response to Staff's First Set of Data Requests, VES indicated that it has never marketed its services directly to Arizona consumers and indicated that it received no customer complaints from January 1, 2006 through December 31, 2008.

VES verified by zip code that all affected customers have been notified of the proposed discontinuance and all affected customers have been provided with information to enable them to choose an alternative provider. VES included a copy of the notice provided to customers on December 1, 2008 with its application.


VES indicated that it has not received any written complaint since issuing the customer notice included with its application.

On December 24, 2008, VES published notice in newspapers of general circulation in the areas affected by this Application and filed an Affidavit of Publication with the Commission on January 6, 2009.

Long distance is a highly competitive service. As such, Staff believes that VES customers affected by this Application have access to numerous alternative providers throughout Arizona.

**D. Staff's Recommendations**

Staff recommends approval of VES' application to withdraw all basic and optional long distance calling plans pursuant to A.A.C. R14-2-1107 on the condition that VES modify its tariffs on file with the Commission to remove basic and optional calling plans and withdraw any open tariff applications currently on file with the Commission within 60 days of the a decision in this matter.

*for*   
Ernest G. Johnson  
Director  
Utilities Division

EGJ:AFF:lhmkOT

ORIGINATOR: Armando Fimbres

1                                   **BEFORE THE ARIZONA CORPORATION COMMISSION**

2   KRISTIN K. MAYES  
      Chairman

3   GARY PIERCE  
      Commissioner

4   PAUL NEWMAN  
      Commissioner

5   SANDRA D. KENNEDY  
      Commissioner

6   BOB STUMP  
      Commissioner

7

8   IN THE MATTER OF THE APPLICATION   }  
9   OF NYNEX LONG DISTANCE COMPANY   }  
10  DBA VERIZON ENTERPRISE SOLUTIONS   }  
11  FOR APPROVAL TO DISCONTINUE       }  
12  CERTAIN COMPETITIVE RESOLD       }  
13  TELECOMMUNICATIONS SERVICES       }

DOCKET NO. T-03198A-08-0594

DECISION NO. \_\_\_\_\_

ORDER

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14   Open Meeting  
15   March 31 and April 1, 2009  
16   Phoenix, Arizona

16   BY THE COMMISSION:

17   **Introduction**

18       On December 10, 2008, NYNEX Long Distance Company d/b/a Verizon Enterprise  
19   Solutions ("VES") filed an application to discontinue offering presubscribed long distance  
20   telecommunications service throughout Arizona effective as of April 1, 2009 and, pursuant to  
21   Arizona Administrative Code ("A.A.C.") R14-2-1107, to cancel that portion of its Certificate of  
22   Convenience and Necessity ("CC&N") authorizing it to provide presubscribed long distance  
23   telecommunications services.

24       A Certificate of Convenience and Necessity ("CC&N") to provide competitive  
25   interLATA/intraLATA resold telecommunications services except local exchange services was  
26   granted in Decision No. 61603 on April 1, 1999 by the Arizona Corporation Commission  
27   ("Commission").

28   ...

1 FINDINGS OF FACT

2 Background

3 1. Pursuant to A.A.C. R14-2-1107, VES proposes to cancel the portion of its CC&N  
4 authorizing the provision of presubscribed long distance telecommunications services. However,  
5 VES proposes to continue offering originating calling card services with operator assistance to  
6 serve customers from other states that travel to Arizona and use their calling card to originate  
7 intrastate calls and does not seek cancellation of its CC&N as VES proposes to continue offering  
8 National Frame Relay Service and National Private Line Service to business customers in Arizona.  
9 VES requests that the Commission issue an order that:

- 10 1. Approves this Application pursuant to ACC R-14-2-1107 authorizing VES to  
11 withdraw all basic and optional calling plans effective as of April 1, 2009; and  
12 2. Requires VES to modify its tariffs on file with the Commission to remove basic  
13 and optional calling plans.

14 2. In its application, VES states that it has approximately 17 presubscribed business  
15 voice customers for whom it will cease providing service and 1 business data customer for whom  
16 it will continue providing service. VES does not provide service to any residential customers.

17 3. VES certifies that it holds no customer deposits and does not market its long  
18 distance services in Arizona.

19 Staff's Analysis and Conclusions

20 4. In its response to Staff's First Set of Data Requests, VES indicated that it has never  
21 marketed its services directly to Arizona consumers and indicated that it received no customer  
22 complaints from January 1, 2006 through December 31, 2008.

23 5. VES verified by zip code that all affected customers have been notified of the  
24 proposed discontinuance and all affected customers have been provided with information to enable  
25 them to choose an alternative provider. VES included a copy of the notice provided to customers  
26 on December 1, 2008 with its application.

27 6. VES indicated that it has not received any written complaint since issuing the  
28 customer notice included with its application.

7. On December 24, 2008, VES published notice in newspapers of general circulation in the areas affected by this Application and filed an Affidavit of Publication with the Commission on January 6, 2009.

8. Long distance is a highly competitive service. As such, Staff believes that VES customers affected by this Application have access to numerous alternative providers throughout Arizona.

9. For the reasons stated above, Staff recommends approval of VES' application to withdraw all basic and optional long distance calling plans pursuant to A.A.C. R14-2-1107 on the condition that VES modify its tariffs on file with the Commission to remove basic and optional calling plans and withdraw any open tariff applications currently on file with the Commission within 60 days of a decision in this matter.

#### CONCLUSIONS OF LAW

1. NYNEX Long Distance Company d/b/a Verizon Enterprise Solutions is an Arizona public service corporation within the meaning of Article XV, Section 2, of the Arizona Constitution.

2. The Commission has jurisdiction over VES and over the subject matter of the Application.

3. The Commission, having reviewed the application and Staff's Memorandum dated March 12, 2009, concludes that it is in the public interest to approve this application.

#### ORDER

IT IS THEREFORE ORDERED that the application of NYNEX Long Distance Company d/b/a Verizon Enterprise Solutions to discontinue offering presubscribed long distance telecommunications service throughout Arizona pursuant to A.A.C. R14-2-1107 be and hereby is approved.

IT IS FURTHER ORDERED that NYNEX Long Distance Company d/b/a Verizon Enterprise Solutions withdraw any open tariff applications currently on file with the Commission within 60 days of a decision in this matter.

...

1 IT IS FURTHER ORDERED that NYNEX Long Distance Company d/b/a Verizon  
2 Enterprise Solutions modify its tariffs on file with the Commission to remove basic and optional  
3 calling plans within 60 days of a decision in this matter.

4 IT IS FURTHER ORDERED that this decision shall become effective immediately.  
5

6 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**  
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8 CHAIRMAN

COMMISSIONER

10  
11 COMMISSIONER

COMMISSIONER

COMMISSIONER

12  
13 IN WITNESS WHEREOF, I, MICHAEL P. KEARNS, Interim  
14 Executive Director of the Arizona Corporation Commission,  
15 have hereunto, set my hand and caused the official seal of this  
16 Commission to be affixed at the Capitol, in the City of  
17 Phoenix, this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

18 MICHAEL P. KEARNS  
19 INTERIM EXECUTIVE DIRECTOR

20 DISSENT: \_\_\_\_\_  
21

22 DISSENT: \_\_\_\_\_  
23

24 EGJ:AFF:lhmkOT  
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27  
28

1 SERVICE LIST FOR: NYNEX LONG DISTANCE COMPANY DBA VERIZON ENTERPRISE  
SOLUTIONS

2 DOCKET NO. T-03289A-08-0593

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